



DEPARTMENT OF TRANSPORTATION'S REQUESTS FOR ADJUSTMENTS

INFRASTRUCTURE AND GENERAL GOVERNMENT APPROPRIATIONS SUBCOMMITTEE
STAFF: BRIAN WIKLE**ISSUE BRIEF**

This issue brief summarizes the budget reallocations and adjustments requested by the Department of Transportation in the 2017 General Session. Requests include one-time adjustments for FY 2017 and ongoing adjustments for FY 2018. The fiscal analyst recommends each of the department's requests.

1. FY 2018 ongoing: reallocate \$102,000 Transportation Fund from Construction Management – Federal Construction – New to Operations/Maintenance Management – Maintenance Administration to help fund maintenance activities on the highway system due to additions on state roads
2. FY 2017 one-time and FY 2018 ongoing: adjust Transportation Fund and Federal Funds allocations to better match anticipated expenditures as shown below

Line Item	Program	Trans. Fund	Federal Funds
Engineering Services	Preconstruction Admin	45,200	(45,200)
	Structures	571,500	(571,500)
	Materials Lab	455,100	(455,100)
	Engineering Services	281,200	(281,200)
	Right-of-Way	257,000	(257,000)
	Research	502,700	(502,700)
	Construction Management	241,500	(241,500)
	Civil Rights	99,100	(99,100)
	Engineer Development Pool	546,500	(546,500)
	<i>Total</i>	<i>2,999,800</i>	<i>(2,999,800)</i>
Region Management	Region 1	234,600	(234,600)
	Region 2	246,800	(246,800)
	Region 3	34,600	(34,600)
	Region 4	179,400	(179,400)
	<i>Total</i>	<i>695,400</i>	<i>(695,400)</i>
Construction Management	<i>Federal Construction – New</i>	<i>(3,695,200)</i>	<i>3,695,200</i>
Grand Total		0	0

3. FY 2017 one-time and FY 2018 ongoing: increase Federal Funds authorization to better match expected federal revenue as follows
 - Engineering Services – Program Development: \$5,000,000
 - Construction Management – Federal Construction – New: \$127,001,100
4. Adjust federal mineral lease appropriated amounts to better match anticipated revenue as follows
 - FY 2017 one-time: Mineral Lease – Mineral Lease Payments: **(\$27,537,700)**
 - FY 2018 ongoing: Mineral Lease – Mineral Lease Payments: **(\$24,474,600)**
 - FY 2017 one-time and FY 2018 ongoing: Mineral Lease – Payment in Lieu: \$782,900
5. FY 2018 ongoing: merge the Equipment Management line item into the Operations/Maintenance Management line item; this will allow the department to charge rental and usage rates for equipment and to move money between the regions and equipment management without violating the Budgetary Procedures Act as shown below (see the Legislative Auditor General's August 2016 [In-Depth Budget Review of the Utah Department of Transportation](#))

Line Item	Program	Trans. Fund	Dedicated Credits
Equipment Management	Equipment Purchases	(1,598,700)	(5,022,200)
	Shops	(41,000)	(22,627,900)
Operations / Maintenance Management	Equipment Purchases (new)	1,598,700	
	Shops (new)	41,000	

6. FY 2018 ongoing: create a distinct line item for cooperative agreements to account and budget for the agreements separately from the department's operational budget as shown below (see the Legislative Auditor General's August 2016 [In-Depth Budget Review of the Utah Department of Transportation](#))

Line Item	Program	Federal Funds	Dedicated Credits
Cooperative Agreements	Cooperative Agreements (new)	50,323,800	19,897,100

7. Due to [S.B. 80](#), 2016 General Session
 - FY 2017 one-time: transfer \$46,682,500 designated sales tax from Construction Management – Federal Construction – New to Transportation Investment Fund of 2005
 - FY 2017 one-time and FY 2018 ongoing: appropriate \$49,045,500 Transportation Fund to Construction Management – Federal Construction – New
8. FY 2018 ongoing: the consensus forecast for fuel tax revenue growth is \$84.2 million
 - appropriate \$58,940,000 Transportation Fund to Construction Management – Federal Construction – New
 - appropriate \$25,260,000 Transportation Fund to B and C Roads – B and C Roads; [UCA 72-2-107](#) directs that 30 percent of total revenue deposited into the Transportation Fund during the fiscal year less certain amounts appropriated elsewhere be deposited into the Class B and Class C Roads Account